

Policies and Procedures for Contested Elections for Vice President of the Appraisal Institute

Adopted by the Board of Directors
July 21, 2009

The Board of Directors is responsible under the Bylaws to elect the Appraisal Institute Vice-President. To facilitate fair and structured decision-making by the Board during contested elections for Vice President, the Board has adopted the following policies and procedures.

Materials and Communications

1. Written recommendations and comment letters regarding the nominees must be received by the Secretary to the Board no later than one week prior to the election to guarantee distribution to the Board prior to the election. Distribution of recommendations and comment letters received after that date is desirable but not guaranteed given the short time frame before the election. The Appraisal Institute will not provide the nominees with any such written communications and comment letters.
2. Nominating Committee questionnaires previously submitted by the nominees will be posted to the web site.
3. Chapter and Region recommendations previously provided to the Nominating Committee will be disseminated to the Board. The nominees will not be included in this dissemination.
4. Unless a nominee requests otherwise, all individuals who submitted personal recommendation letters or other written communications to the Nominating Committee about a nominee will receive an e-mail requesting permission to forward their communications to the Board for its consideration. If an individual grants permission, his or her recommendation letter and/or other written communication will be forwarded to the Board (again excluding the nominees). This restriction is desirable because the authors of such communications may have had an expectation that their comments would be and would remain confidential to the Nominating Committee. The e-mail will be sent under the signature of AI Counsel, with the administration of this process to be handled by the Secretary to the Board.
5. Board members should contact the nominees in advance of the Board meeting with any specific questions they may have of the nominees because questioning time will be limited at the Board meeting.

Prior Nominating Committee Deliberations

6. The substantive deliberations of the Nominating Committee in choosing its nominee(s) will not be available to the Board because of confidentiality concerns and the chilling affect such disclosure would have on future Nominating Committee deliberations.
7. Individual Nominating Committee members, other than its Chair who is a member of the Board, will not have an opportunity to make oral comments to the Board of Directors as a

whole at the Board meeting. Nominating Committee members, in their capacity as Appraisal Institute members, may provide in writing their personal opinion as to which nominee would be best for the Appraisal Institute at this time. They would not, however, be offering an opinion as a representative of the Nominating Committee.

Board Deliberations and Election

8. The Appraisal Institute will pay the expenses of all the nominees to attend the Board meeting at which the election will be held in accordance with the Appraisal Institute Travel and Expense Reimbursement Policy.
9. As much of the election process as possible will be held in open session. The Executive Session portion of the election process is noted below.
10. Each nominee will have an opportunity to address the Board in open session. The order of nominee presentations will be determined by a drawing. Each nominee will be asked to leave the Board room during presentation(s) by other nominee(s).
11. Each nominee will have the opportunity to make a ten-minute presentation. It is suggested that the nominees use three-minutes for an opening statement, five-minutes to answer the questions below, and two-minutes to make a closing statement. The questions are:
 - a) Why are you the best person to fill the role of Appraisal Institute Vice President at this time?
 - b) From your knowledge of the Appraisal Institute, identify two current issues or challenges you believe are of importance. What specific experiences do you bring in these areas to make the Appraisal Institute a stronger, more effective organization?
12. Board members may submit to the President during the Board meeting written questions for the nominees. The President will randomly draw written questions to be asked of the nominees. The question and answer period for each nominee will last for fifteen minutes.
13. Time limits on the nominees' presentations will be strictly monitored by the non-voting Board members who serve on the Audit Committee and will be enforced by the President. If no non-voting Board member on the Audit Committee is available, the Board shall select an Appraisal Institute member who is not on the Board of Directors to perform this function.
14. Appraisal Institute Members who are not on the Board of Directors will not have the opportunity to make oral comments to the Board as a whole at the Board meeting. Any comments they have must be submitted in writing as set forth in item #1 above.
15. After the nominees have completed their presentations, the Board will go into Executive Session. Except as noted below, Executive Session will include Board members, third Directors, Past Presidents who are present for the meeting, AI Counsel and the Secretary to the Board. All nominees (including any sitting Board members) will be requested by the Board to excuse themselves from the Executive Session and are expected to do so.
16. The Executive Session will begin with an opportunity for any Board member to disclose any conflicts of interest they may have. During the Executive Session, each Board member in the room will be given the opportunity to make a three-minute statement. Each Board member

will have the opportunity for a one-minute rebuttal statement after all Board Members have spoken. Board members may not yield their time to another Board member. Time limits will be strictly monitored by the non-voting Board members who serve on the Audit Committee and will be enforced by the President. If no non-voting Board member on the Audit Committee is available, the Board shall select an Appraisal Institute member who is not on the Board of Directors to perform this function.

17. The balloting will take place in open session with all nominees invited to attend. All sitting Board members (including the President) have a right to vote with the exception of non-voting Board members who serve on the Audit Committee and the Chief Executive Officer. The Board will vote by secret paper ballot, with one vote per Board member. There will no roll call vote. The nominees' names will appear on the ballot in alphabetical order.
18. After the vote, the ballots will be collected by the non-voting Board members who serve on the Audit Committee. The ballots will be counted by the non-voting Board members who serve on the Audit Committee and AI Counsel. If no non-voting Board member on the Audit Committee is available, the Board shall select an Appraisal Institute member who is not on the Board of Directors to perform this function. For a ballot to be valid, a Board member must cast one vote or abstain. Members may not vote for more than one nominee on a single ballot. The President will announce the result of the vote. No vote tallies will be reported.
19. To be elected, a nominee must receive an absolute majority (over 50%) of the votes of Board members present and voting. Only the name of the winning nominee will be announced.
20. If there are two nominees on the ballot and there is a tie vote, the Board will re-vote until one of the nominees garners an absolute majority of the votes of Board members present and voting.

If there are more than two nominees and no nominee receives the necessary majority of the votes on the first ballot, there will be a run-off election. The run-off election will not include the nominee who received the least number of votes on the first ballot. If no nominee receives the necessary majority on subsequent ballot(s), there will be additional run-off election(s), with the run-off election(s) not including the name(s) of the nominee(s) who received the least number of votes on previous ballot(s). Once there are only two nominees remaining on a ballot, the rules set forth in the first paragraph of this section apply. In the event of a tie for last place on any ballot, the Board will re-vote on all of the nominees from that ballot.